

the list of qualifying applications to the DPS staff. Applications and associated fees will be returned to those not selected in the drawing.

### **3. Verification of Space Limitations Claims**

Bell Atlantic-NY will provide the DPS staff with floor plans, future use information, site visits, etc., as requested by the DPS staff. Bell Atlantic-NY will provide an escort who will be able to answer questions about present and future use of space, and will provide construction plans for empty space upon DPS staff request. Staff walk-throughs of offices may include a CLEC representative, either the requesting CLEC or a neutral CLEC, upon the signing of a confidentiality agreement. If, after the walk-through and analysis, there is a disagreement about the space constraint, DPS staff will discuss with Bell Atlantic-NY and may at that time bring in a neutral third party for technical assistance.

### **4. Cost Recovery for Conditioning Space**

In an attempt to meet the interests of the CLECs in reducing the up-front space preparation costs associated with physical collocation, and in accordance with the March 2 Order, Bell Atlantic-NY will implement the following two-step cost recovery mechanism:

- a. A CLEC interested in collocating in a Bell Atlantic-NY central office with no conditioned space available will only be required to pay for the costs Bell Atlantic-NY incurs to condition the amount of space needed to provide collocation to that CLEC. For instance, if Bell Atlantic-NY incurs \$250,000 in order to condition the appropriate amount of common space as well as providing for 1,000 sq. ft. of usable space which will be available for collocation, and a given CLEC only requires 1/10 of that space or 100 sq. ft., that CLEC would pay Bell Atlantic-NY a non-recurring charge of \$25,000. (If the collocator has under \$2 billion in revenues per year, it may pay this non-recurring charge on an installment basis pursuant to the non-recurring amortization plan filed with the Public Service Commission in November 1997). CLEC concerns regarding what amount of space Bell Atlantic-NY deems appropriate for conditioning will be brought to the Public Service Commission for resolution.

- b. The unrecovered costs for both the common space and non-subscribed space (\$225,000 for this example) would be recovered as follows:
- i) These unrecovered costs should be amortized over a five year period. The amortization and recovery of these costs will begin the next calendar year and will be adjusted year-to-year as required.
  - ii) The amortized unrecovered costs will be calculated by LATA (LATA 132, however, will be subdivided into Manhattan, Long Island, and the rest of the NY Metro LATA).
  - iii) All CLECs physically collocated in the specific LATA, or the specified area in the 132 LATA, will be required to pay Bell Atlantic-NY a portion of the amortized unrecovered costs based upon their percentage of the total square feet of collocation space in that LATA or area. If, for example, there were four CLECs physically collocated in a given LATA and each had an equal portion of the provided square footage, then each CLEC would pay 1/4 of the amortized unrecovered costs for that year.
  - iv) The amortized amount to be recovered from these CLECs would be reduced each year if subsequent collocators or Bell Atlantic-NY occupy the prepared collocation space.
  - v) The amount to be recovered will be adjusted to reflect uncollectible revenues.
  - vi) If Bell Atlantic-NY uses any of the space so conditioned, it will bear the same share of the costs that would otherwise have been borne by the CLECs.

The amount paid by subsequent collocators would also be reduced by the non-subscribed and common space costs already recovered from other CLECs. Recalculating the initial cost for future collocators will eliminate the possibility of double recovery. Using the above example, the initial collocator utilizing 100 square feet of this prepared space during the first year of the recovery period would pay Bell Atlantic-NY \$250 per foot. If a subsequent collocator requests 100 square feet of this prepared space during the first year of the recovery period, it would be

charged only \$210 per square foot, reflecting the fact that a portion of the non-subscribed and common space costs has already been recovered from other CLECs.

#### **5. When Raw Space Is Available At Additional Cost**

Raw space conversion timeframes fall outside the normal intervals and are negotiated on an individual case basis based on negotiations with the site preparation vendor(s). Bell Atlantic-NY will use its best efforts to minimize the additional time required to condition collocation space, and will inform the CLECs of the time estimates as soon as possible.

Bell Atlantic-NY will inform the Public Service Commission as soon as it knows it will require raw space conversion to fulfill a request based on application or forecast. Bell Atlantic-NY will post a list of all such sites on its Website, and will update the list as additional locations become known.

#### **6. Bell Atlantic-NY Capacity**

Bell Atlantic-NY's estimate of its present capacity of 15 to 20 collocation arrangements per month is based on current staffing and current vendor arrangements. As discussed in the forecasting section of this document, Bell Atlantic-NY will evaluate the first forecast results (expected in April), to determine if this capacity is sufficient. If it is insufficient, Bell Atlantic-NY will attempt to smooth spikes in demand via negotiations with the forecasting CLECs, and/or augment its workforce for sustained demand beyond its capacity if demand is tied to binding forecasts.

#### **7. Vendor Capacity**

Bell Atlantic-NY will continuously seek to improve vendor performance for all central office work, including collocation. Since the vendors require notice in order to meet increases in demand, Bell Atlantic-NY will share CLEC demand with appropriate vendors as required, subject

to the appropriate confidentiality safeguards. Bell Atlantic-NY will seek assistance from the CLECs to resolve vendor inability to meet demands. CLECs may also contract with vendors directly, for a variety of the functions required:

- a. **Physical Collocation:** The CLECs can contract directly for cage construction, electrical outlets, lighting and POT bay installation in their cages.
- b. **Virtual Collocation:** The CLECs can contract directly for transmission equipment engineering and installation including Interconnection Access Cabling and fiber splicing.

Bell Atlantic-NY may be excused for vendor delays, due to circumstances beyond Bell Atlantic-NY's or the vendor's control, as established in a reasonable force majeure clause.

#### **8. Responsibility for Vendor Delays**

No party shall be excused from their obligations due to the acts or omissions of a party's subcontractors, material men, suppliers or other third persons providing such products or services to such party unless such acts or omissions are the product of a force majeure event, or unless such delay or failure and the consequences thereof are beyond the reasonable control and without the fault or negligence of the party claiming excusable delay or failure to perform.

#### **9. Measured Intervals**

Bell Atlantic-NY will meet the 76/105 day intervals for all requests which were properly forecast 6 months prior to the application date, subject to the conditions described thus far, as well as the limitations below.

- a. In both virtual and physical collocation, the CLEC and Bell Atlantic-NY control various interim milestones they must meet to meet the overall intervals. The interval clock will stop, and the final due date adjusted accordingly, for each milestone the CLEC misses (day for day). Interim milestones were depicted in Attachment 6 of the first Maguire affidavit issued on November 3, 1997, for both virtual and physical. Virtual interim milestones were discussed in the second Maguire affidavit, issued on January 6, 1998.

- b. When Bell Atlantic-NY becomes aware of the possibility of vendor delays, it will first contact the CLEC(s) involved to attempt to negotiate a new interval. If Bell Atlantic-NY and the CLEC cannot agree, the dispute will be submitted to the Director of the Communications Division of the DPS for prompt resolution.

### C. Unbundled Elements

Bell Atlantic-NY commits to provide all Unbundled Network Elements in accordance with the requirements of the Act, particularly with regard to §§ 251 and 252.

#### 1. Hot Cut and Loop Provisioning Intervals and Performance

The current standard offered intervals are as follows:

<b>LINKS:</b>	
<b>Basic Link (SVGAL) - Hot Cut</b>	5 business days
<b>Basic Line (SVGAL)(2 Wire Analog) - New Line:</b> (a) 1-5 lines (b) 6-9 lines (c) 10+ lines	Smarts Clock <sup>13</sup> 10 business days Negotiated
<b>Premium LINK (Two-Wire Digital) - New Line:</b> (a) 1-5 lines (b) 6-9 lines (c) 10+ lines	Smarts Clock 10 business days Negotiated

Bell Atlantic-NY reports, on a monthly basis, the intervals offered and met, and will meet all stated intervals at the levels established in the service quality collaborative.

#### 2. Premium Loops: Availability and Verification Process

Bell Atlantic-NY will provision, in the Public Service Commission-established intervals, the following premium types: 2-wire digital loop - ISDN qualified, 4-wire digital loop, 1.544

<sup>13</sup> The Smarts Clock provides the next available appointment date for residential or business customers based on force availability. The same Smarts Clock is used for both Bell Atlantic-NY orders and CLEC orders.

MBPS channel, 45 MBPS channel. The process to verify availability of ISDN qualified loops is a follows:

- a. The CLEC initiates a pre-order request for Loop Qualification through Direct Customer Access System (DCAS). This request flows through Bell Atlantic-NY's Phoenix system which queries the loop inventory database to determine whether the necessary loop is ISDN qualified. The response is sent back through Phoenix and back through DCAS to the CLEC. This process can also be performed manually if a Pre-Order Loop Qualification request is not received via DCAS.
- b. The process to verify availability of 1.544 MBPS or 45 MBPS channels will follow the same process Bell Atlantic-NY utilizes for its own services. Once a request is received by Bell Atlantic-NY, notification of the request is sent to the appropriate engineering office, where an engineer researches the facility records and responds back to the TISOC whether facilities are available.
- c. The verification process for these services is the same for both CLEC and Bell Atlantic-NY customers. This process is built into the established intervals for all retail and wholesale customers.

### 3. Installation of UNE Loop Currently on Bell Atlantic-NY Integrated Subscriber Loop Carrier (IDLC)

If an existing Bell Atlantic-NY customer chooses to take service from a CLEC and the CLEC wants to use the existing Bell Atlantic-NY equipment and facilities as separate UNEs, Bell Atlantic-NY will make every effort to reuse elements of those existing facilities to the extent they meet CLEC order specifications. At this time, this is not possible when a CLEC orders a loop to serve a customer that Bell Atlantic-NY currently serves using Integrated Subscriber Loop Carrier. In such a case, Bell Atlantic-NY will assign other existing plant or provide new facilities (consistent with the terms in the CLEC's interconnection agreement) to provide UNE service. Appropriate service order notations and facility assignment processes assure that this transaction occurs. A change to other existing plant to provide this CLEC service will have no impact on the Public Service Commission-established interval.

#### **4. Unbundled Local Switching**

The purpose of the Network Design Request Process (NDR) is to provide a means to design, order and implement a CLEC's network in an unbundled environment. This network establishes the CLEC's presence in the Bell Atlantic-NY network and creates a platform upon which end-user services will be overlaid.

In general, the NDR process provides a means to create the CLECs switch presence and a network over which the CLECs end-user traffic will be processed. In addition, the NDR negotiations clarify the Bell Atlantic-NY/CLEC relationship, respective responsibilities and how business will be conducted with one another.

Bell Atlantic-NY has established intervals for the creation of office dialing plans and line class codes when customized routing is not requested, and for the unbundled network elements requested by the CLEC during the NDR process itself.

Bell Atlantic has committed to meet the following intervals for provisioning unbundled local switching ports, once the NDR process is complete:

- Unbundled analog switch ports alone (1-19 lines): 2 days
- Switch port and loop (platform - POTS):
  - Existing facilities (Hot Cut Basis): 5 days
  - New order (1-5 lines): Smarts clock  
(6-9 lines): 10 business days  
(> 10 lines): negotiated.

#### **5. Signaling and Call-related Databases**

Bell Atlantic-NY provides CLEC access to its call-related databases and signaling systems in accordance with the checklist. Bell Atlantic-NY has the capability to exchange TCAP

messages for AIN services, provide CLEC access to its service creation environment, or certify a service that was developed by a CLEC using its own databases and service logic.

#### IV. OPERATIONS SUPPORT SYSTEMS (OSS)

##### A. Standards

Bell Atlantic-NY will provide non-discriminatory access to its operational support systems (OSS) on appropriate terms and conditions. In furtherance of this goal, Bell Atlantic-NY will make available, for CLECs using interconnection, unbundled network elements and total service resale, electronic OSS for pre-ordering, ordering, provisioning, maintenance and repair, and billing. Bell Atlantic-NY's OSS interfaces will provide the necessary access to its legacy systems.

Among other things, these systems will permit competitors to obtain pre-ordering information, submit service orders for resold services and unbundled network elements (UNEs), submit trouble reports, and obtain billing information. Access to the electronic OSS will include both application-to-application interfaces for pre-ordering and ordering, which will allow CLECs to tie their OSS directly to Bell Atlantic-NY's OSS via this interface, and, as an alternative, a graphical user interface (GUI) for pre-ordering, ordering and maintenance for the use of CLECs who do not find it feasible to use an application-to-application interface.

The OSS will be fully integratable for the pre-ordering and ordering functions. To this end, Bell Atlantic-NY will design an application-to-application interface for pre-ordering, using a format which will enable CLECs to build to it. This will be available in time so that it can be tested, in the context of the independent, third-party test described herein.<sup>14</sup> To the extent

<sup>14</sup> The application-to-application pre-order interface available for the independent need not include a structured, formatted CSR provided by Bell Atlantic-NY. Bell Atlantic-NY will provide a structured, formatted CSR for such an interface within 120 days.



the design criteria and business rules to be applied to this interface have not been fully developed by the Alliance for Telecommunications Industry Solutions, or if there are industry standards, but modifications may be appropriate, Bell Atlantic-NY will work collaboratively with the CLECs in the ongoing proceedings in Case 97-C-0271 (as well as with interested CLECs) to develop and disseminate them. Before the interface is adopted for use in the independent, third-party test, the DPS staff shall ascertain that such use is appropriate.

Bell Atlantic-NY will provide for the independent, third-party test an application-to-application ordering interface meeting EDI Version 8 and ANSI 3072 standards. This ordering interface will implement the decisions made by the Administrative Law Judges on February 25, 1998, in the ongoing collaborative sessions, and (except as noted below) the resolution of the 55 "open" issues in that collaborative process as of March 27, 1998.<sup>15</sup> If, during Phase I of the independent, third-party test, the consultant or consultants performing that Phase of the work determines that additional ordering functionality is material to the CLECs' ability to compete, then Bell Atlantic-NY will make this additional functionality available for the test.

With respect to maintenance and repair functions, Bell Atlantic-NY provides access through RETAS and, alternatively, through EIF. Bell Atlantic-NY will demonstrate through the independent third-party test that these systems can process reasonably foreseeable volumes for

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of the specifications for such a CSR. Bell Atlantic-NY will also provide the "pseudo- CLEC" engaged in the third-party test (and any CLEC) with information needed to permit these entities to parse for themselves the information in an unstructured, unformatted CSR.

<sup>15</sup> Bell Atlantic-NY is not required to implement in time for the third-party test collaborative items numbered 87, 97, 99, 101, 112, 135, 137, 194 and 198. Bell Atlantic-NY commits to completing the implementation of these items within 180 days of closing these items in the collaborative process. Bell Atlantic-NY commits to continuing in the collaborative process and to implementing issues finally resolved there within 180 days of resolution. Resolutions that do not involve software development are expected to be implemented well within the 180 days.

Resale and UNEs in a non-discriminatory manner. In addition, Bell Atlantic-NY will deploy maintenance and repair OSS interfaces in conformance with industry standards, within 180 days of their adoption.

Bell Atlantic-NY will provide necessary technical support to assist CLECs in building to each interface, as well as in understanding how to implement and use the OSS functions available to them. Bell Atlantic-NY will provide CLECs with the information necessary to format and process their electronic requests so that these requests flow through the interfaces, the transmission links, and into Bell Atlantic-NY's legacy systems as quickly and efficiently as possible. Such support will consist of appropriate documentation, including:

- technical reference manuals and users' guides;
- specifications enabling CLECs to modify or design their systems to communicate with Bell Atlantic-NY's interfaces and OSS, including full documentation for all application-to-application interfaces;
- information necessary to format and process their electronic requests so as to enhance complete flow-through of information, including syntactical requirements, internal business rules, ordering codes [including information concerning universal service ordering codes (USOCs) and field identifiers (FIDs) used by Bell Atlantic-NY], and other information necessary to submit an accurate and complete orders;
- a procedure for updating all documentation.

In addition, Bell Atlantic-NY will provide technical support for CLECs experiencing difficulty with these interfaces and has established a change management process for dealing with changes to the OSS interfaces. Bell Atlantic-NY will provide an electronic method for disseminating information regarding such changes. When an OSS interface or system is updated or replaced, Bell Atlantic-NY will maintain backward compatibility for a commercially reasonable period of time, as defined by the established change management process or otherwise established by the Public Service Commission.

Bell Atlantic-NY will maintain one or more service centers or help desks that CLECs can contact for support purposes; the centers will have sufficient hours of operation, including outside of regular business hours, and will be staffed by an adequate number of persons with the appropriate expertise to provide the necessary support.

Bell Atlantic-NY's support processes will accommodate reasonably foreseeable transaction quantities, and will be scaleable to meet increases in demand over time. The OSS will provide CLEC representatives with equivalent functionality to that provided to Bell Atlantic-NY's retail representatives. For those services which have no Bell Atlantic-NY retail analog, Bell Atlantic-NY shall provide necessary data and specifications, in accordance with the resolution of these issues in the collaborative process. Bell Atlantic-NY will provide order flow through for the types of orders (at the dates specified) in Appendix 2, for the independent, third-party test. Bell Atlantic-NY also commits to achieving flow through of the order types listed in Appendix 3, and to continue to modify its OSS systems to flow through all but the least frequently requested types of orders at rates which are at parity with the rates at which analogous orders provided by Bell Atlantic-NY's own retail operations flow through. If, during Phase I of the independent, third-party test, the consultant or consultants performing that Phase of the work determines that additional order flow through is material to the CLECs' ability to compete, then Bell Atlantic-NY will make flow through for these additional order types available for the test. Consistent with the foregoing, the types of orders that are expected to flow through, and the requisite flow-through rates, will be determined in the test plan to be developed for the third party test. For purposes of determining the rate or percent of orders that flow through, "flow through" in the case of Bell Atlantic-NY orders means orders that require no manual entry into the service order processor.

and in the case of CLEC orders means those received electronically through the ordering interface and requiring no manual entry into the service order processor.

Before Bell Atlantic-NY will be considered to have met these standards, it will have instituted the performance measures required by the Public Service Commission, and will demonstrate that it is able to generate meaningful performance reports.

Bell Atlantic-NY's OSS interfaces will operate and be designed, to the extent possible, and consistent with industry standards and the proceedings in Case 97-C-0271, to streamline forms and fields, minimize repetition of information to be submitted by the CLECs which is already known to Bell Atlantic-NY, and to minimize disruption of an end-user's service. In particular, Bell Atlantic-NY will provide migration "as is" and migration "as specified" as set forth in Appendix 2.

In sum, Bell Atlantic-NY will demonstrate its compliance with requirements as set forth below:

- where there is commercial usage, using actual performance data; and
- an independent third-party test as described below.

In addition, the results of any internal testing and carrier-to-carrier testing completed prior to the third-party test may also be considered.

Further, Bell Atlantic-NY understands that as CLECs are ready to begin operating their OSS systems, it will be necessary to perform carrier-to-carrier testing. Bell Atlantic-NY commits to engage in and provide full cooperation for such carrier-to-carrier testing. The results of such tests will be relevant to the continuing assessment of whether Bell Atlantic-NY's OSS is providing competitors with parity access.

### **B. Independent Third Party Test**

Bell Atlantic-NY acknowledges that it will not be considered to have met the OSS standards described above until it has provided evidence that its OSS systems are operationally ready and provide the appropriate level of performance. As part of the demonstration that it has achieved the standards described above, Bell Atlantic-NY will provide full cooperation to a third party test of its systems, consistent with the commitments herein. Bell Atlantic-NY understands and agrees that this test will be conducted under the supervision of DPS staff, with the assistance of an independent consultant or consultants selected by DPS staff, in accordance with the RFP issued by the DPS on March 6, 1998 and attached hereto as Appendix 4. Although Bell Atlantic-NY commits to paying the costs of the third party test, the consultant(s) will report directly to DPS staff, and will have no reporting relationship with Bell Atlantic-NY.

As set forth in the RFP, Bell Atlantic-NY's cooperation in the test will include, but not be limited to:

- provision to the consultant of the documentation and support which would be necessary for a CLEC to access and use the Bell Atlantic-NY OSS systems;
- demonstration that Bell Atlantic-NY's systems provide all requisite functionalities, are operationally ready, provide a level of performance which is, at a minimum, equivalent to that specified in the interim carrier-to-carrier service standards developed in the context of Case 97-C-0139, to the satisfaction of DPS staff, and are scaleable to reasonably foreseeable volumes of orders; and
- demonstration that Bell Atlantic-NY is able to generate meaningful reports of its performance pursuant to these standards.

If a Bell Atlantic-NY interface fails to achieve the required level of performance, Bell Atlantic-NY may, if agreed by DPS staff, cure the defect and continue the test beyond its initial testing period. In all events, the Public Service Commission retains the discretion to withhold its

positive recommendation if it concludes that Bell Atlantic-NY's OSS does not provide CLECs with a meaningful opportunity to compete.

### **C. Post Entry Commitments**

Bell Atlantic-NY commits to cooperate with semi-annual audits of its OSS interfaces under the supervision of DPS staff to ascertain whether they continue to meet applicable standards for flow-through and other performance standards for processing CLEC orders, are able to accommodate the anticipated volumes of CLEC orders and trouble reports, and adhere to change management protocols.

## **V. ENSURING CONTINUED PERFORMANCE AFTER INTERLATA ENTRY**

To ensure Bell Atlantic-NY will continue after § 271 entry to provide service to competitors at the levels the FCC and Public Service Commission deem appropriate, Bell Atlantic-NY agrees to undertake the commitments set out below at and after that time.

The Public Service Commission would retain the first line of authority for enforcing these provisions, while the FCC has authority for preventing Bell Atlantic-NY from future marketing in long distance should post-entry developments so warrant.

Bell Atlantic-NY recognizes that interconnection agreements between Bell Atlantic-NY and the CLECs remain an essential part of the statutory scheme. Although the performance provisions of those agreements will remain in effect during the term of the agreements, Bell Atlantic-NY reiterates its commitment to engage in good faith negotiations on new performance provisions when the current interconnection agreements expire.

## **A. Standards**

Bell Atlantic-NY's performance will be monitored in two tracks; the first is designed to measure the Company's overall §271 performance, while the second will measure performance in a more limited number of critical areas, on both a CLEC-specific and an aggregate basis. With the exception of several additions, the measurements and standards are taken directly from the Interim Guidelines for Carrier-to-Carrier Performance Standards and Reports (Case 97-C-0139), which were established in the collaborative effort involving Bell Atlantic-NY, the CLECs, and representatives of various state agencies and consumer groups, under the supervision of the Public Service Commission. These standards, which were approved by the Public Service Commission as Interim Guidelines, have also been reviewed by the Department of Justice. These standards, which are set forth in Appendix 5, therefore represent the interests of a broad body of stakeholders.

### **1. Overall Performance**

The numerous individual standards have been aggregated into three overall categories, which correspond to the three methods CLECs will use to enter the market: Resale, UNE and Interconnection. The individual standards have been weighted to emphasize individual metrics, which will be aggregated to produce an overall score in each of the categories.

### **2. Critical Measure Performance**

Bell Atlantic-NY recognizes that its performance in twelve particular categories is critical to the CLECs' ability to compete in New York. The Company has therefore agreed that, should its performance miss the standard in even *one* of these categories, the market adjustments set out herein will be triggered. These corrective actions will inure to the benefit of the CLEC that received performance below the standards set.

## **B. Measurement**

In order to ensure that there is timely information regarding Bell Atlantic-NY's performance under these standards, the Company will report its performance for each metric on a monthly basis. Reporting will be accomplished through the following actions, which are designed to ensure that any lack of parity can be determined with a 95% level of confidence:

1. Bell Atlantic-NY will report the actual performance to its retail customers where such measures exist and to the CLEC customers for each metric associated with each mode of entry category and for each critical measure. A statistical test will then be performed in order to determine whether the CLEC measurement could be viewed as coming from a sample of the underlying process that produced the Bell Atlantic-NY measurement.<sup>16</sup>
2. A performance score for each metric will be calculated as follows:
  - a) The difference between the CLEC measurement and the Bell Atlantic-NY measurement will be calculated.
  - b) The appropriate Z-Score will be calculated in accordance with standard statistical methodologies.
3. A performance score will be created based upon the Z-score.
4. The performance score will then be weighted, based on the importance of the metric to the functioning of the competitive market.
5. The weighted scores shall then be aggregated by the mode of competitive entry (Resale, UNE, Interconnection), producing an overall score in each of the three classifications.
6. Twelve highly significant categories have been added to a separate list of "Critical Measures," which will each carry its own corrective action.<sup>17</sup>

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<sup>16</sup> For the OSS pre-ordering metrics; order confirmation timeliness (%), rejection notice timeliness (%) and daily usage feed, the performance scores of 0, -1 and -2 will be based on a defined range for each measurement, not on a statistical test. After three months of results, Bell Atlantic-NY will propose a range to convert these results into these performance scores.

<sup>17</sup> For the critical measures, performance will be measured on both CLEC-specific and aggregate bases.



### C. Mode of Entry Measurement

Since the Act requires that the Company provide interconnection "that is at least equal in quality" to that provided to itself, and "nondiscriminatory access" to unbundled elements, DPS staff will insert a performance score for each metric in each mode of entry category of the spreadsheet model as follows<sup>18</sup>:

<u>Z Score</u>	<u>Staff Performance Score</u>
$Z \leq -2$	-2
$-2 < Z \leq -1$	-1
$-1 < Z \leq +1$	0
$+1 < Z$	0

Each measure with a performance score of -1 in a given month, however, will be subject to change, depending upon the score for that measure in the subsequent two months. Should Bell Atlantic-NY maintain a performance score of 0 for those two months, then the score in the original month will be changed from -1 to 0. A score of -2 in a given month, however, will not be subject to change based upon performance in subsequent months.

Therefore, for each of the metrics within the three mode of entry categories, the Company's performance will be graded 0 (parity achieved), -1 (parity in question), or -2 (parity not achieved). If the Company scores -1, but in the following 2 months scores 0, the -1 will be changed to 0 and the 0 would then be used in conjunction with all of the other metrics in that category. The performance score for each metric will then be weighted, based upon the importance of the metric in determining whether that mode of entry is open to competition. The

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<sup>18</sup> For sample sizes of less than 30, the -2 and -1 Z score thresholds will be determined from the t-table.

weighted scores shall then be aggregated by each mode of entry category (Resale, UNE, Interconnection), producing an overall score in each of the three categories. If the Company's average score for all of the metrics in any one category is  $-0.2$ ,<sup>19</sup> wholesale price reductions will result. Additional price reductions occur if performance declines further.

#### **D. Critical Measures Measurement**

DPS staff will insert performance scores, based on service to each individual CLEC, for each critical measure on the spreadsheet model as follows:

<u>Z Score</u>	<u>Staff Performance Score</u>
$Z \leq -2$	-2
$-2 < Z \leq -1$	-1
$-1 < Z \leq +1$	0
$+1 < Z$	0

Each measure with a performance score of -1 in a given month, however, will be subject to change, depending upon the score for that measure in the subsequent two months. Should Bell Atlantic-NY maintain a performance score of 0 for those two months, then the score in the original month will be changed from -1 to 0. A score of -2 in a given month, however, will not be subject to change based upon performance in subsequent months.

#### **E. Corrective Action**

Should Bell Atlantic-NY's performance not meet the agreed upon standards, corrective action in the form of reduced wholesale prices will be taken. Unsatisfactory performance for three consecutive months will result in additional corrective action. The score of -X should

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<sup>19</sup> The intent is that  $-0.2$  corresponds to the threshold at which one can be 95% certain that parity does not exist.

represent the maximum allowable out of parity condition that would significantly limit a mode of entry as a competitively viable option.<sup>20</sup>

### 1. Mode of Entry Category

If Bell Atlantic-NY's overall score in one of these three categories falls below -0.2 in any given month, wholesale price reductions, in the form of bill credits, will be implemented and remain in effect for one month. If an overall score falls to -X or below, the maximum wholesale price reduction will be implemented.

- At -0.2, the then-prevailing TSR discount will be increased by 0.294%. For each of the 19 Resale category overall performance score increments between -0.2 and -X, the then-prevailing TSR discount will be increased by 0.147%.
- At -0.2, the then-prevailing UNE link rate will be decreased by \$0.68. For each of the 19 UNE category overall performance score increments between -0.2 and -X, the then-prevailing UNE link rate will be decreased by \$0.34.
- At -0.2, the then-prevailing reciprocal compensation rate paid by the CLEC will be decreased by \$0.0000250. For each of the 19 Interconnection category overall performance score increments between -0.2 and -X, the then-prevailing reciprocal compensation rate will be decreased by \$0.0000125 per minute.

### 2. Critical Measures Category

For each critical measure, Bell Atlantic-NY's performance to all CLECs during a given month will be averaged. Should the resulting performance score in any one category fall to -1, 50% of the maximum wholesale price reductions for that measure will be implemented, and will inure to the benefit of the CLEC or CLECs that received below-standard performance based on the level of service provisioned to each CLEC. Should any CLEC receive sub-standard performance for two consecutive months, however, regardless of whether all CLECs on average

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<sup>20</sup> After three months of results, Bell Atlantic-NY will propose a value for X.

received satisfactory performance, wholesale price reductions for that CLEC will be implemented for a period of two months.

For performance scores between -1 and -2, the price reduction will increase by an additional 5% of the maximum, for each .1 decrease in the Z-Score. Stated another way, for each -0.1 performance score increment between -1 and -2, depending on whether the critical measure affects resale, UNE or interconnection,

- the then-prevailing TSR discount will be increased by 0.12%,
- the then-prevailing UNE link rate will be decreased by \$0.32, and
- the then-prevailing reciprocal compensation rate paid by the CLEC will be decreased by \$0.00001563 per minute.

If the scores fall to -2.0, the maximum wholesale price reduction will have been implemented.

### 3. Continued Unsatisfactory Performance

Unsatisfactory performance for three consecutive months will result in additional corrective action. Should Bell Atlantic-NY provision performance at one half the difference between -0.2 and -X in any one of the three modes of entry categories (Resale, UNE and Interconnection) for three consecutive months, the resultant wholesale price reductions for that same three month period will be doubled. The doubling of the wholesale price reductions will continue until such time as the Company achieves one quarter the difference between -0.2 and -X or better failure rate in that category in any given month.

Performance at -X for three consecutive months in any one of the three modes of entry categories will result in an extension of the original duration of the UNE-P offering of two years for every geographic area.

#### **F. Term of Backslide Measures**

At such time as Bell Atlantic-NY eliminates its Section 272 affiliate, the parties will reconvene for purposes of reevaluating the appropriateness of the standards, measurements and corrective action. Until such time as a replacement mechanism is developed, this plan, as it may be modified before such time, shall remain in effect.

#### **G. Adjustment**

A separate milestone has been created, for July 31, 1998, to ensure compliance with all of the Company's reporting obligations. At this milestone, the Public Service Commission will examine actual data, to ensure that any statistical system is valid and reasonable and to make appropriate adjustments if necessary. At least one quarter's worth of actual and statistical data, including number of observations and calculated standard deviations, will be provided by Bell Atlantic-NY, in accordance with all of the principles that may have been established by the Public Service Commission and FCC prior to that time. The plan set forth herein envisions that a performance score of -X, which would result in the maximum penalty, should represent the maximum allowable out of parity condition that would significantly limit a mode of entry as a competitively viable option. At the milestone, actual data will be examined in order to determine the value of X. At this review, DPS staff shall engage in a root cause analysis and, if necessary, make the appropriate changes, including, but not limited to, adjustments for geographic and other characteristic differences between Bell Atlantic-NY and CLEC customers on average.

#### **H. Reporting**

In addition to providing monthly performance measures, Bell Atlantic-NY shall make available, in electronic format, the data underlying these measures. All data and measures shall be provided within 15 days of the end of each month, beginning with the July 1998 results. Bell

Atlantic-NY will report data on the categories set forth in Appendix 5, and will continue to report on all measures established in the carrier-to-carrier service quality collaborative, allowing for additions, deletions and other modifications made through the collaborative process and/or by the Public Service Commission. In addition, to the extent allowed by law, the Company will make available CLEC-specific electronic reports enabling those receiving the reports to evaluate performance at greater levels of detail, including but not limited to residential and business, geographic and class of service performance.


Should the disaggregated reports reveal that Bell Atlantic-NY has failed to provide parity performance in the disaggregated areas, in a competitively significant degree, the Company acknowledges that the Public Service Commission may need to change the market adjustments to encompass the disaggregated reports. Bell Atlantic-NY's plans to comply with the reporting capabilities, including the Company's ability to provide this electronic reporting, will be measured at the July 31, 1998 milestone. This milestone represents an opportunity to ensure that all important implementation issues regarding the definitional and other reporting issues are satisfactorily resolved by that time.

## **VI. ADDITIONAL STEPS TO OPEN THE LOCAL MARKET**

### **A. Number Portability**

With the move to full number portability, 109 Bell Atlantic-NY central offices in LATA 132 are now able to accommodate long-term number portability. All upstate MSAs on the FCC's original schedule will be able to accommodate long-term number portability by the end of 1998. Bell Atlantic-NY will adhere to the current schedule established by the FCC for the 100 largest

MSAs in the country, and the requirements associated with requests for other areas of the State as established by the FCC.

 (WRA)

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## APPENDIX 1

List of Milestones**I Account Servicing**

- April 15: Account Managers will receive laptop computers, pagers and cell phones.
- April 15: Bell Atlantic will provide to both CLECs and the Public Service Commission, and will post on the Website, the list of central offices that have known physical collocation space constraints, as well as those that have only unconditioned space remaining.
- April 30: Additional technical support staff in place.
- April 30: Bell Atlantic-NY will facilitate sponsorship in a users group for facilities-based CLECs.
- April 30: Bell Atlantic-NY will implement a "Single Point of Contact" program for the CATC.
- May 31: Bell Atlantic-NY will have completed all end office switch upgrades in current round.

**II Combination of Elements**

Demonstration that CLECs have reasonable and non-discriminatory access to unbundled elements.

**III Interconnection, Collocation and UNEs**

- July 1: Bell Atlantic-NY must demonstrate that it is able to provision virtual collocation within the prescribed 105 day time interval, and that the installations will function as intended.
- August 31: Bell Atlantic-NY will have a general service offering of two-way trunks, to both end offices and tandems, on a measured-use basis

**IV. OSS**

RFP Milestones for OSS Test, consistent with this Pre-Filing Statement.

**V. Ensuring Continued Performance After InterLATA Entry**

- July 31: Data and methodology evaluation.



## APPENDIX 2

## 1. LSR/EDI resale order flow through capability available as of April 6, 1998:

Conversion with and without changes – Bell Atlantic-NY retail to reseller and reseller to reseller.

PIC modifications including PIC freeze.

LPIC modifications including LPIC freeze.

Changes, adds and deletes to Custom Calling Features – Call Waiting, 3-Way Calling, Call Forwarding, Speed Calling 8 and 30, and Touch Tone.

Full Disconnects.

Optional Calling Plans

Convert as specified.

Class of service.

Customer/Company initiated blocking.

Remarks data on resale form only delete an auxiliary line.

Phonesmart.

Operator Services.

## 2. The following additional order types will be flow through in April 1998 (except where noted):

Resale

New line.

Simple listings.

Valuflex (May 1998).

Call Forwarding II.

UNE

New Basic and Premium Links

Basic Links:

Partial migration of existing service without INP.